

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1789
ANSWERED ON:10.12.2004
RESTRICTIONS ON NON-BANKING FINANCIAL COMPANIES
Madhwaraj Smt. Manorama

Will the Minister of FINANCE be pleased to state:

- (a) whether the Reserve Bank of India has recently imposed restrictions on non-banking finance companies like Sahara and Peerless on acceptance of deposits from the public;
- (b) if so, whether this move has been prompted by the Government while noticing irregularities on the part of these NBFCs;
- (c) whether any of the depositor forum has brought to the notice of the regulatory authority any fraudulent dealings or refusal to repay deposits by NBFCs maturity; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

- (a):- No, Sir.
- (b):- Does not arise.
- (c):- Reserve Bank of India (RBI) have reported that there are no complaints against both the above companies from any depositors' forum.
- (d):- Does not arise.